

**Balfour Beatty plc
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10 October 2014

Dear Shareholder

Publication of Balfour Beatty plc shareholder documents on website—Proposed sale of Parsons Brinckerhoff and Notice of General Meeting

On 3 September 2014 Balfour Beatty announced it had agreed the sale of its professional services division, Parsons Brinckerhoff, to WSP Global Inc, conditional among other things on shareholders' approval; and the intention to return up to £200 million pounds of proceeds to shareholders.

We have today published the Circular to shareholders setting out the details of the sale and, subject to completion of the sale, the Company's proposal to return to shareholders up to £200 million through a share buy-back programme planned to commence following the announcement of Balfour Beatty's 2014 preliminary results (subject also to the Board's assessment of the trading environment at the time).

You can access the Circular which incorporates the Notice of the General Meeting at www.balfourbeatty.com/investors.

The General Meeting will take place at 9.30 a.m. at Goldman Sachs International, River Court, 120 Fleet Street, London EC4A 2BE on Tuesday 28 October 2014.

As you have not yet registered to vote online, a personalised Form of Proxy is enclosed for your use.

This letter is not a summary of the proposal to be considered at the General Meeting and should not be regarded as a substitute for reading the Notice of General Meeting which will remain available on our website up to and following the conclusion of the meeting.

Proxy voting

Many of our shareholders are unable to attend the meeting in person. If you cannot attend, you can use your Form of Proxy to nominate someone else to attend the meeting and vote for you, or you can nominate me to vote for you.

If you want to appoint a proxy for the General Meeting, you need to complete and return your Form of Proxy enclosed with this letter, or to register your proxy voting appointment and voting instructions over the internet by 9.30 a.m. on Sunday 26 October 2014. I am grateful to the many shareholders who have lodged proxy votes in the past and hope that I can count on your continuing participation.

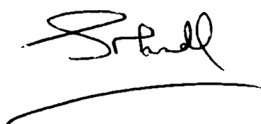
While writing, I would like to draw your attention to our online voting facility, which many of our shareholders find a convenient way of voting. If you would like to submit your Form of Proxy electronically through the internet, you may do so via www.balfourbeatty-shares.com. You will need to register to use the service if you have not already done so. Once the simple registration process is complete, you may vote online by following the instructions provided there.

Completion and return of a Form of Proxy, either by post or electronically via the internet, will not prevent you from attending and voting in person at the meeting.

Electronic shareholder communications

A growing number of the Company's shareholders receive communications electronically. Should you wish to do so please register by visiting the Balfour Beatty Share Portal at www.balfourbeatty-shares.com and follow the instructions. The registration process includes providing your email address, which will not be used for any other purpose.

Yours sincerely



Steve Marshall
Executive Chairman